

THIS REPORT CONTAINS ASSESSMENTS OF COMMODITY AND TRADE ISSUES MADE BY
USDA STAFF AND NOT NECESSARILY STATEMENTS OF OFFICIAL U.S. GOVERNMENT
POLICY

Voluntary Public

Date: 7/7/2013

GAIN Report Number:

Afghanistan

Post: Kabul

Afghanistan Poultry Industry and Import Requirements

Report Categories:

Poultry and Products

Agriculture in the Economy

Approved By:

Robin Tilsworth

Prepared By:

Jahrullah Safi

Report Highlights:

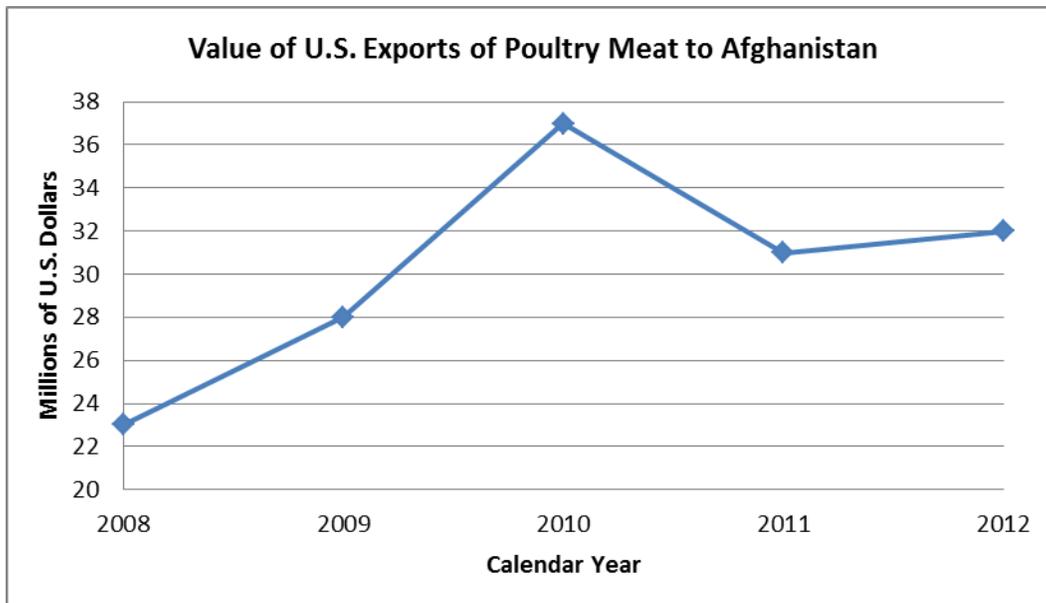
Although comprehensive data are not available, all anecdotal information suggests that domestic production of poultry in Afghanistan will continue to grow in 2013. Afghan producers will increase production by investing in land to expand large, integrated facilities. Despite increases in domestic production, poultry imports are expected to continue on the upward trend in 2013 and 2014 since domestic poultry production does not meet rising demand. According to exporter data, poultry imports are estimated at a total of 37,499 mt in 2012. The United States remains the largest supplier (29,317 mt, \$32.3 million in 2012). This report provides information on the requirements for exporting to Afghanistan.

Market Overview

The Afghan poultry industry is limited by the country's poor infrastructure and expensive operating costs due to a lack of competitive feed and poultry breeder stock industries/markets. Domestic poultry production on a commercial scale is not competitive with imported frozen poultry. The United States is the dominant supplier to Afghanistan accounting for approximately 75-80 percent of the imports (volume basis). Imported frozen chicken dominates the urban marketplace in Afghanistan because of its low prices. It is cheaper than other meats in the marketplace. The usual mix of imported frozen chicken meat is 80 percent leg quarters and 20 percent whole birds. The majority of Afghans prefer chicken leg quarters at home, while whole birds are largely reserved for restaurants, weddings, and government functions. Consumers prefer live chickens to frozen chicken because of taste preferences and are most concerned about quality and slaughtering procedures. The product has to be Halal (the prescribed method of slaughtering all animals excluding fish and most sea-life per Islamic law). Total U.S. poultry exports to Afghanistan were valued at \$32.3 million in 2012, a four percent increase in value from the previous year. The total quantity, however, declined by 2.2 percent to 32,317 mt.

Export Statistics to Afghanistan				
Commodity: All Poultry Meat, 02, ex16				
Calendar Year: 2010 - 2012				
Country	Quantity (in metric tons)			%Change 2012/2011
	2010	2011	2012	
Unites States	40,514	29,981	29,317	-2.2
Brazil	4,878	5,883	4,290	-27.1
China	2,433	1,018	1,983	94.7
India	26	38	722	>100
EU-27	216	209	101	-51.7
Argentina	255	722	667	-7.6
Iran	0	20	177	>100
Ukraine	0	0	108	>100
Turkey	56	107	98	-8.3
Total	48,850	38,700	37,499	3.1

Source: The data are not available from official Afghan statistics; however, the information mentioned above was taken from GATS, exporter data. Exporters within the EU-27 include the United Kingdom, Germany, the Netherlands, Italy, Belgium, Denmark and France.



Source: Foreign Agricultural Service, Global Agricultural Trade System

U.S poultry exports totaled in \$32.2 million in CY2012. January to May (CY) 2013 exports are valued at \$12.6 million, a reduction of 10% compared to the same period in 2012.

Transportation Challenges

The majority of U.S. poultry exports enter Afghanistan through Pakistan. Pakistani ports are known for frequent delays and unpredictable demurrage fees. Additionally, exports to Afghanistan via Pakistan have been blocked at irregular intervals for various reasons. U.S. poultry exports to Afghanistan fluctuate depending on ease of access via Pakistan. A Transit Trade Agreement between Afghanistan and Pakistan was signed in 2012 to help facilitate trade between the two countries but some obstacles remain to full implementation e.g., disagreement over approved shipping routes. Containers of frozen poultry have experienced delays in the past for unpredictable reasons.

Import Requirements

U.S. suppliers should confirm that their customers have met the import requirements e.g., importers must obtain a business license, certificate of permission from the Government of Afghanistan, and submit samples for testing to Afghan customs authorities. Details of the requirements:

1. Importers must obtain business license from the Afghanistan Investment Support Agency (AISA) or Ministry of Commerce & Industry (MoCI).
 - AISA is responsible for registration, licensing, and promotion of all investment activities in Afghanistan. Business registration with AISA is required for all private sector companies except import/export ventures that are already registered with MoCI. For additional information please reference the below link:
http://www.aisa.org.af/files/licensing_procedure/english/AISA-license.pdf
 - Obtain business license for Traders, Importers, and Exporters. For Additional Information please reference the below link:
http://www.aisa.org.af/files/licensing_procedure/english/RegistrationBusinessLicenseTradersExporters.pdf
2. Obtain letter of permission to import poultry to Afghanistan from the Ministry of Agriculture, Irrigation, and Livestock's Animal Health Department.
3. Obtain Veterinary Health Certificate and Halal Certificate from origin.
4. Poultry must be clearly labeled with expiry dates. Without this label on each box, the product will not clear customs.
5. Customs authorities will take a sample of the product to send to the veterinary health lab for inspection – a process that takes approximately two to three hours. For additional information please reference the following document: *An Inventory to Importing Goods into Afghanistan*:
<http://moci.gov.af/Content/files/An%20Inventory%20to%20Importing%20Goods%20into%20Afghanistan.pdf>

Point of contact for further information:

Jahrullah Safi
Agriculture Specialist
U.S. Department of Agriculture
U.S. Embassy, Kabul
301-490-1042, ext. 4425
Email: JSafi@state.gov